

Mendocino County Economic Forecast

Mendocino County's southern border is approximately 90 miles north of San Francisco. Tourism is the primary industry on the Mendocino coast. Consequently, State Highway 1, which hugs the coastline, and Highway 101, which runs north-south through the county, are vital transportation veins. Along the coast, the town of Mendocino and Mendocino Headlands State Park are popular tourist destinations.

The population of Mendocino County was 88,200 in January of 2003. The population has grown at a rate of 0.7 percent per year since the 2000 Census, adding less than 2,000 new residents to the county. The city of Ukiah is the county seat and largest city with a population of 15,850. Fort Bragg is home to the Skunk Line vintage trains, offering an historic 40-mile trip from Fort Bragg to the city of Willits. Willits (population 5,025), known as the gateway to the Redwoods, is located in central Mendocino County.

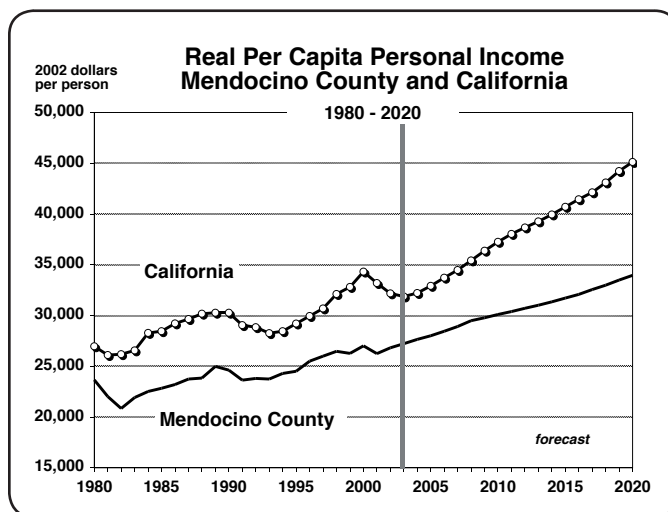
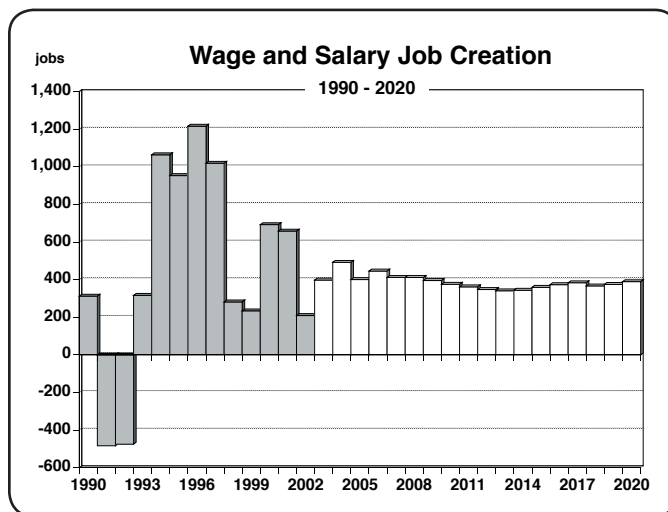
Retail trade, services, and government are the three largest industry employers in the county. Annual averages show that the retail sector accounted for the largest share (8,140 jobs), or 24 percent of all employment. The public sector contributed nearly 24 percent, and services made up 23 percent.

The retail trade, services and government industries are forecast to have the largest growth during the next 5 years. These three industries combined are expected to account for 88 percent (of the total projected growth in employment (2,163 jobs). By the year 2008, services is projected to add 750 new jobs, and retail trade is expected to add 460 jobs. The manufacturing industry is also estimated to increase by 235 jobs over the five-year period, despite projected losses in lumber and wood products manufacturing. Growth is primarily expected in the manufacture of non-durable goods, specifically in the food and kindred products sector.

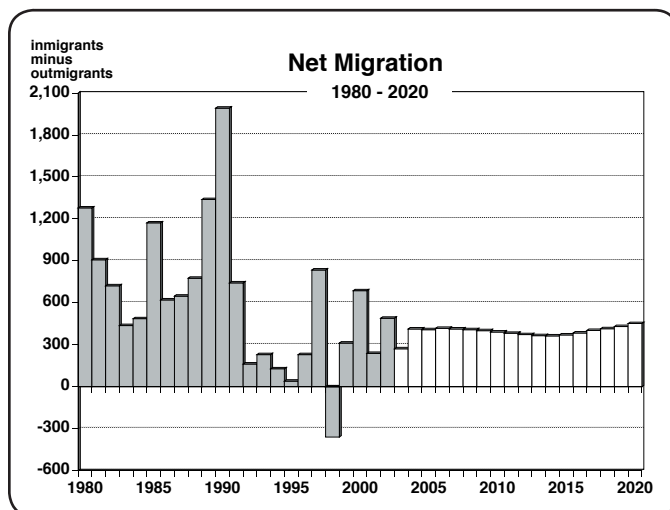
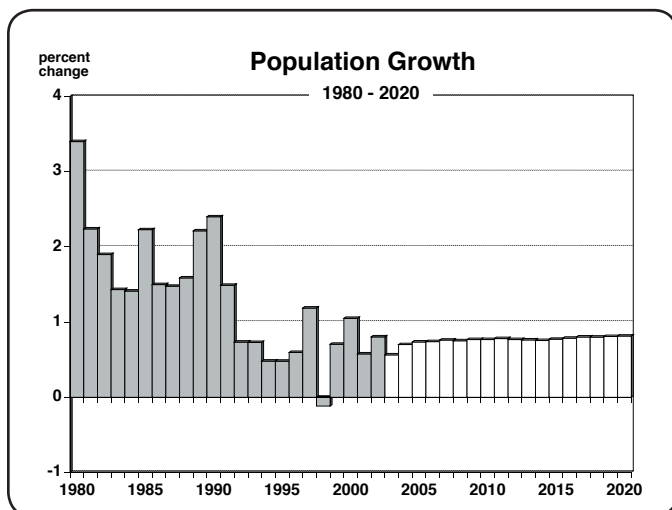
Agriculture is also important in the county. Mendocino vineyards and wineries have prospered as the name "Mendocino" becomes increasingly well known. Attention in the region is focused on different varieties and wine styles particular to each of Mendocino's microclimates.

Forecast Highlights

- A non-farm job growth rate of 1.4 percent is forecast for Mendocino County between 2003 and 2008.



- Inflation-adjusted per capita income rises an average of 1.6 percent per year over the next 5 years.
- The number of residential unit permits forecast for the 2003 to 2008 period averages 453 per year, a significant increase over the 314 units authorized per year between 1997 and 2002.
- Population growth averages 0.7 percent over the next 5 years, a rate which reflects the historical average over the last 5 years.



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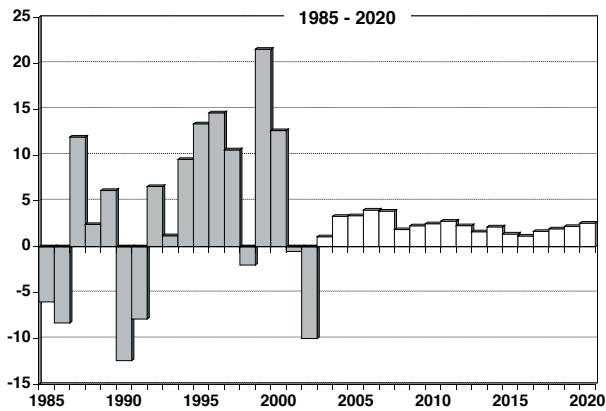
1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (millions)	Personal Income (millions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (millions)
1995	83,800	41	90.7	32.6	277	\$486.2	\$1,613.4	\$24,516	\$89.2	\$815.5
1996	84,300	230	92.8	32.8	238	\$523.5	\$1,727.5	\$25,506	\$116.8	\$934.6
1997	85,300	835	87.2	33.1	259	\$555.6	\$1,842.6	\$25,995	\$144.4	\$1,033.3
1998	85,200	-359	91.2	33.3	266	\$581.2	\$1,933.9	\$26,469	\$127.7	\$1,012.8
1999	85,800	313	93.9	33.5	270	\$644.1	\$2,014.7	\$26,272	\$127.7	\$1,230.9
2000	86,700	687	97.1	33.2	275	\$705.4	\$2,186.4	\$27,009	\$128.6	\$1,386.8
2001	87,200	239	101.0	33.5	353	\$720.4	\$2,252.2	\$26,250	\$131.0	\$1,379.7
2002	87,900	490	103.5	33.7	458	\$732.6	\$2,357.3	\$26,818	\$133.0	\$1,242.0
2003	88,396	272	105.2	34.2	452	\$782.2	\$2,467.1	\$27,225	\$137.9	\$1,255.6
2004	89,015	414	107.2	34.7	448	\$829.9	\$2,594.0	\$27,654	\$143.2	\$1,297.3
2005	89,669	408	109.5	35.1	445	\$876.5	\$2,720.1	\$28,009	\$147.1	\$1,341.3
2006	90,333	418	111.9	35.6	464	\$922.8	\$2,859.5	\$28,448	\$151.9	\$1,395.0
2007	91,020	414	114.5	36.1	448	\$972.2	\$3,005.7	\$28,919	\$156.6	\$1,449.4
2008	91,704	409	117.2	36.5	461	\$1,024.7	\$3,169.0	\$29,491	\$161.5	\$1,476.6
2009	92,408	402	120.1	37.0	435	\$1,083.8	\$3,308.8	\$29,781	\$166.7	\$1,510.5
2010	93,117	392	123.1	37.5	445	\$1,147.7	\$3,464.2	\$30,102	\$172.8	\$1,548.5
2011	93,843	383	126.2	37.9	423	\$1,217.2	\$3,625.3	\$30,393	\$179.6	\$1,591.9
2012	94,563	373	129.1	38.4	442	\$1,286.1	\$3,798.8	\$30,720	\$187.0	\$1,628.5
2013	95,284	366	132.1	38.8	427	\$1,360.0	\$3,977.3	\$31,010	\$194.8	\$1,655.3
2014	96,002	364	135.1	39.3	449	\$1,431.9	\$4,163.0	\$31,347	\$202.4	\$1,691.2
2015	96,743	371	137.9	39.8	438	\$1,508.9	\$4,360.5	\$31,717	\$210.2	\$1,714.8
2016	97,503	385	140.7	40.2	459	\$1,587.9	\$4,570.0	\$32,075	\$218.4	\$1,735.0
2017	98,284	403	143.4	40.7	437	\$1,673.2	\$4,813.0	\$32,555	\$227.0	\$1,764.1
2018	99,070	415	145.8	41.1	447	\$1,758.9	\$5,055.2	\$32,989	\$235.5	\$1,798.6
2019	99,871	431	147.0	41.6	426	\$1,852.3	\$5,316.5	\$33,496	\$244.1	\$1,838.7
2020	100,684	452	148.1	42.1	446	\$1,945.1	\$5,578.2	\$33,966	\$252.7	\$1,886.1

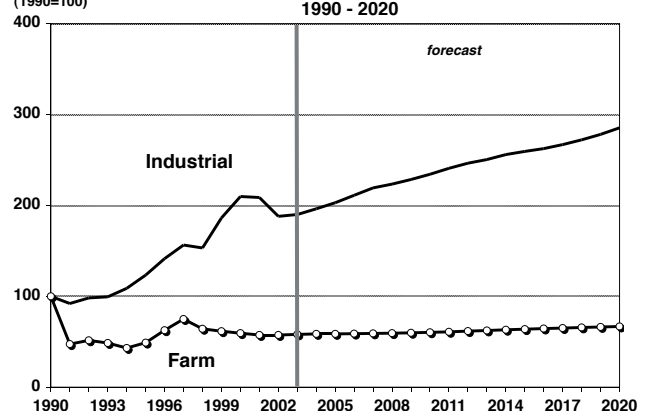
- Home prices, adjusted for inflation, are forecast to rise about 2.2 percent per year between 2003 and 2008. In 2002, the median selling value of existing homes in Mendocino County was \$317,541.

average annual
percent change

Real Industrial Production


inflation-
adjusted index
(1990=100)

Industrial and Farm Production Indices



Total Wage & Salary	Farm	Mining & Construction	Manufacturing	Transportation, Utilities	Wholesale, Retail Trade	Finance, Real Estate	Services	Government
-----employment (jobs)-----								
29,299	1,930	947	4,854	1,147	7,347	894	6,896	5,285
30,515	2,166	1,137	4,995	1,200	7,606	883	7,196	5,333
31,534	2,412	1,163	5,339	1,220	7,708	916	7,462	5,314
31,816	2,473	1,253	5,113	1,202	7,711	953	7,722	5,390
32,050	2,413	1,330	5,063	1,141	7,737	947	7,862	5,558
32,743	2,489	1,475	5,228	1,073	7,770	943	7,393	6,372
33,401	2,573	1,633	4,824	1,126	7,946	1,002	7,609	6,688
33,610	2,240	1,480	4,140	1,110	8,140	1,030	7,540	7,930
34,008	2,214	1,454	4,215	1,114	8,221	1,040	7,732	8,020
34,500	2,174	1,464	4,350	1,118	8,309	1,047	7,906	8,132
34,901	2,131	1,484	4,362	1,121	8,401	1,054	8,067	8,279
35,347	2,102	1,528	4,394	1,124	8,494	1,062	8,217	8,425
35,759	2,071	1,554	4,427	1,128	8,588	1,070	8,353	8,567
36,171	2,056	1,572	4,449	1,131	8,684	1,078	8,478	8,724
36,566	2,049	1,570	4,464	1,134	8,782	1,086	8,593	8,890
36,942	2,044	1,568	4,472	1,137	8,882	1,093	8,698	9,047
37,304	2,042	1,581	4,480	1,140	8,984	1,101	8,787	9,188
37,651	2,045	1,584	4,487	1,143	9,087	1,107	8,867	9,331
37,992	2,048	1,571	4,502	1,146	9,190	1,112	8,938	9,485
38,336	2,050	1,574	4,525	1,149	9,292	1,116	9,000	9,631
38,695	2,049	1,576	4,547	1,151	9,393	1,120	9,064	9,795
39,069	2,046	1,578	4,569	1,154	9,492	1,125	9,135	9,970
39,453	2,040	1,598	4,589	1,156	9,591	1,130	9,208	10,141
39,819	2,026	1,598	4,603	1,159	9,689	1,137	9,293	10,314
40,194	2,014	1,608	4,619	1,162	9,786	1,144	9,381	10,482
40,584	2,007	1,616	4,645	1,164	9,882	1,151	9,474	10,644

